TRAVELERS

Business Resiliency At Travelers

In light of ongoing concerns related to the coronavirus (COVID-19), we want to assure our customers, agents, brokers and business partners that Travelers has a robust approach to business resiliency so that we can continue to provide exceptional, uninterrupted service to all our stakeholders.

Business Resiliency – A Holistic Approach

The overall objective of our business resiliency strategy is to deliver on the Travelers promise to take care of our customers, communities and employees, no matter the disruption.

The Travelers Business Resiliency Risk Committee oversees the strategies, processes and controls of a holistic, three-pronged approach that encompasses business continuity, disaster recovery and crisis management. This committee is directly aligned with our Enterprise Risk Committee and Board of Directors.

The committee is charged with reviewing and approving mission- and business-critical processes, identifying risks to business resiliency – specifically, gaps between disruption tolerance and technology capabilities – and facilitating decisions to accept or remediate these risks.

Business Continuity

The primary objective of business continuity is to ensure that the company is prepared to respond to, and recover from, an unexpected disruption of any kind. This involves contingency planning and testing for 400+ business processes across Travelers. With senior management direction and support, the group is actively engaged in both preventive measures (including technology availability design, facility resilience and training/awareness programs), as well as response preparation (including business contingency planning and technology restoration).

We maintain a continuous improvement philosophy and facilitate annual risk reviews designed to understand and manage risk across all operational aspects of our company, including technology, worksites, workforce and suppliers. All businesses are required to outline their disruption plans, and our contingency standard calls for specific, documented procedures and workaround scripts to be in place and validation exercises to be completed.

Disaster Recovery

Our approach to disaster recovery is based on a model that provides infrastructure, application and platform redundancy so that we can run critical business systems in an alternative location/geography if the primary location is unavailable. This approach means we can continue to conduct our business in the event of a disruption.

We perform daily backups of changed production data from our primary facility to our alternates. Critical technology components are designed with high availability and a multitude of restoration options to address local, site and data corruption events. In addition, disaster recovery testing is performed annually.

In Focus: Pandemic Preparedness

The safety of our employees and customers is our top priority. The primary objectives of our corporate pandemic plan are to maintain a safe workplace and to keep the business running should a severe pandemic arise, such as COVID-19. The plan focuses on the health and safety of employees while maintaining critical business activities to reduce the economic impact of a pandemic.

We also have a cross-functional Corporate Pandemic Planning Group, which defines roles and responsibilities, business continuity priorities and guidelines for pandemic planning and stakeholder communications.

Crisis Management/Emergency Response

Travelers has an integrated response team that comes together to manage events, both planned and unplanned, providing a coordinated and facilitated response to situations from "business as usual" to "crisis." Roles and responsibilities of team members are clearly defined, enabling an efficient response to a technology, worksite, workforce or supplier event. Emergency response procedures are well-documented and reinforced with regular training, scenario planning and exercises.

The crisis management operating model includes two teams, outlined below, who engage with the Executive Crisis Management Team when escalation is required.

- Operational Response Team, which manages corporate security, real estate, technology, cyber, business continuity, and environmental health and safety events.
- Enterprise Event Response Team, which manages catastrophes, underwriting and exposure, claim response and regulatory events.

In Focus: Enterprise Supplier Risk Management

Travelers has a dedicated framework designed to identify and mitigate supplier risks and enable the company to make informed decisions throughout the life cycle of a supplier relationship. As part of the Enterprise Supplier Risk Management program, we assess the business continuity and disaster recovery risk of our suppliers to evaluate their overall business resiliency, recovery capabilities and limitations, as well as Travelers' business process contingency strategy.

All Travelers businesses must identify supplier dependencies for each business process within their respective area, including level of urgency, and document supplier contingency strategies in the event of a disruption.

We believe that our planning and preparations for unforeseen circumstances and potential business interruptions are aligned with best business practices and should protect the company from most business interruptions. Nonetheless, our customers, agents, brokers and business partners can be assured that Travelers employees are committed to providing great service and will work tirelessly to resume all business operations as quickly as possible.

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